

## CRS HRA – Frequently Asked Questions

### **What is an HRA, an HRA is also known as a MERP ?**

An HRA, or a Health Reimbursement Arrangement, is a plan offered through the Cincinnati Retirement System (CRS) which reimburses your out-of-pocket medical expenses, including co-pays, co-insurance, deductibles, and premium differentials, associated with a pensioner's (and their eligible dependents) enrollment in a non-City sponsored alternate group health plan.

The HRA will be offered to CRS pensioners for the first time during the 2016 Open Enrollment. This is an additional benefit option for CRS pensioners. Pensioners who currently participate in the CRS Health Care Plan and who have access to an alternate group health plan, can choose to waive the CRS Health Care Plan coverage and enroll in the HRA.

### **Section I. - HRA Benefits**

1. **What is covered under the HRA?** The HRA reimburses medical and prescription out-of-pocket costs for co-pays, co-insurance, deductibles and premium differentials under the alternate group health plan.
2. **Is there a calendar year maximum?** Yes, the maximum amount the plan will pay per calendar year is \$5,000 for single coverage and \$10,000 for family coverage.
3. **How are claims filed?** HRA ID card(s) will be mailed to your home prior to 1/1/2016. At the time of service, present your alternate group health plan insurance card and the HRA ID card to the provider. Let the provider know that the HRA will pay the provider directly for any co-pays, deductibles and co-insurance for eligible charges. Typically, you pay nothing out of pocket at the time of service and your provider should file the claim with both plans. Some pharmacies (CVS, Walgreen's and mail order pharmacies) do not accept secondary prescription benefits. In those circumstances you would pay the out-of-pocket costs at that time and then file a paper claim with J&K for reimbursement.
4. **How are premiums reimbursed under the HRA plan?** If the alternate group health plan you enroll in has a higher premium cost than the premium cost you would have paid for the CRS Health Care Plan, then you will be reimbursed the difference in premiums. For example, the CRS Health Care Plan premium for you and your family could be \$120 per month. The cost for a family plan with your alternate group health plan is \$350 per month plus a spousal surcharge of \$100 for a total of \$450 per month. In this example you will be reimbursed \$330 per month (\$450-\$120= \$330). This monthly amount will be reimbursed and mailed to your home (up to the maximum plan limits).
5. **Is there a cost to participate in the HRA?** No.
6. **What happens if the alternate health plan does not include my current doctor? I've been with my doctor for a long time and don't want to change now.** The HRA will reimburse you (up to the plan maximum limits) for services or benefits covered under the alternate group health plan. However, if the alternate group health plan does not include out-of-network services or benefits, they are not eligible for reimbursement under this HRA.

7. **If the alternate group health plan does not cover a procedure, will that procedure be a covered expense under the HRA?** No, if your alternate coverage does not cover the procedure, it is not a covered expense under the HRA and will not be reimbursed.

## **Section II. – Eligibility**

8. **Am I eligible to enroll in the HRA?** Pensioners, including your dependents, who are currently enrolled in the CRS Health Care Plan and who have access to an alternate group health plan are eligible to participate in the CRS HRA. When enrolling in the HRA, the pensioner waives participation in the CRS Health Care Plan. Please note, participants who are eligible for, or will become eligible during 2016 for Medicare or Tricare Retired Military, cannot enroll into the HRA, unless Medicare or Tricare Retired Military is the second insurance payer. In this case the HRA would be the third payer.
9. **What is an alternate group health plan?** An alternate group health plan includes other employer group health plans, such as one offered by your or your spouse's current employer (not the City of Cincinnati), or a retiree health plan offered by another retirement plan for which you or your spouse may be eligible from a previous employer. A High Deductible Health Plan (HDHP) with a Health Savings Account (HSA), Medicare, Tricare Retired Military, or the CRS Health Care Plan do not qualify as alternate group health coverage. If the other coverage is an HDHP and you are able to drop the HSA, you can become eligible to enroll in this HRA.
10. **If I currently have single coverage on the CRS Health Care Plan and I have alternate coverage with my other non-City job, am I eligible for the CRS HRA?** Yes, you could enroll into the group plan through your non-City employer and you would be eligible for the CRS HRA.
11. **If I am enrolled with my children in the CRS Health Care Plan, and my spouse is enrolled in his/her employer's plan, is my entire family eligible for the HRA?** The HRA is structured to cover the spouse and dependent(s) who are moving from the CRS plan to an alternate group plan. In other words, in order to be eligible for the HRA you must currently be enrolled in the CRS Health Care Plan. Therefore, if you and your children enroll in your spouse's group plan, only you and your children will be covered under the CRS HRA. Your spouse, who was not previously enrolled in the CRS Health Care Plan, is not eligible for the CRS HRA.
12. **I have one child covered with me under the CRS Health Care Plan and my spouse has my other children on his/her plan. Will the HRA pay all of the out-of-pocket expenses for my entire family?** As explained in the previous response, the HRA reimburses expenses only for those individuals who are currently enrolled and are choosing to drop the CRS Health Care Plan to participate in this HRA. Therefore, in this example, the HRA will reimburse you for co-pays, deductibles and coinsurance for you and your one child currently covered by the CRS Health Care Plan. Your other children who are currently enrolled in your spouse's plan are not eligible for the HRA. The premium your spouse is currently paying for family coverage may not increase if you and your child currently covered by the CRS Health Care Plan are added to your spouse's plan. In that case, there is no premium reimbursement under the HRA. However, if there is an additional premium cost to add you and your one child currently covered by the CRS Health Care Plan, then the HRA will cover that additional premium cost.
13. **If my entire family is currently on the CRS Health Care Plan, and I enroll my entire family on my spouse's group plan, is my entire family eligible for the HRA?** Yes, because the entire family is currently enrolled in the CRS Health Care Plan, the entire family would enroll in your spouse's group plan and the entire family would be covered under the HRA.

14. **If my spouse and I are on the CRS Health Care Plan, and my spouse is employed by the City and has access to the City Anthem 80/20 plan, are we eligible for the HRA?** No, the alternate group coverage must be a non-City sponsored group health plan. Therefore you and your spouse would not be eligible for the CRS HRA.
15. **If I am eligible for Medicare, am I eligible to enroll in the HRA?** No, if Medicare is your primary insurance. Yes, if Medicare is your second insurance payer.
16. **If my spouse and I both are retired from the City and our only coverage option is the CRS Health Care Plan, is either one of us eligible for the CRS HRA?** No, because neither one of you have access to alternate group health coverage through a non-City sponsored health plan.
17. **I recently got married and I am now eligible for alternate coverage through my spouse. Can I enroll in the HRA?** Yes. Marriage is a Qualifying Event and, if your newly married status allows you to enroll in your new spouse's coverage, you may enroll in the HRA after you have enrolled in your alternate coverage.
18. **Am I eligible for the CRS HRA if my alternate coverage is a high deductible health plan with an HSA (Health Spending Account)?** No, the HSA and the HRA are both pre-tax plans and the IRS does not allow you to be reimbursed under both plans. If the other plan allows you to waive or opt-out of the HSA, you can become eligible to participate in this HRA.
19. **What if I waive coverage in the CRS Health Care Plan for myself and my spouse, enroll in the City's HRA, and then lose access to coverage in my spouse's plan?** As long as you let the CRS know within 30 days of a Qualifying Event, you and your eligible spouse can enroll in the CRS Health Care Plan with no lapse in coverage.
20. **When can I cancel the HRA?** You can change your election during Open Enrollment or within 30 days of a Qualifying Event and enroll in the CRS Health Care Plan.
21. **Can I enroll in the HRA and remain enrolled in the Kroger Diabetes & Hypertension Program?** No, you will no longer be eligible to participate in the Diabetes & Hypertension program as it is coordinated with your CRS OptumRx prescription benefit program.
22. **How is my current dental and vision coverage affected?** You may remain enrolled in your current CRS sponsored dental and vision plans.

### **Section III – Enrollment**

23. **How do I enroll in the CRS HRA Plan?**
  - a. Enroll in an alternate group health plan, such as your spouse's group plan or other group coverage. This must be a non-City sponsored health plan.
  - b. Complete the HRA Enrollment Form and submit it to CRS.
24. **When will I receive confirmation?** You will receive a welcome letter and your new HRA ID Cards in the mail prior to 1/1/2016.

### **Section IV - Claims**

25. **How is reimbursement obtained?**
  - a. Many providers will file claims for your co-pays, deductibles and co-insurance. When you receive services from one of these providers, present both your alternate health care

insurance card and your HRA ID Card, and the provider will file the claim. The payment for the out-of-pocket expenses will be sent directly to the provider.

- b. If you receive care from a provider that does not file claims, then you need to file a paper claim. You will receive a check reimbursing you for your out-of-pocket expenses.

**26. How do I use the HRA ID card?**

- a. First, present your health insurance card from your alternate health care plan.
- b. Then, present your HRA ID card. Let the provider know that the HRA will pay the provider directly for covered co-pays, deductibles and co-insurance. Typically, the provider will receive an EOB (Explanation of Benefits) from your group plan, and then the provider can use the EOB to file the HRA claim.
- c. You pay nothing; your provider will file the claim with both plans.

**27. Do all medical providers accept the HRA ID card?** Most providers accept the HRA ID card and file claims. If the provider has questions about the coverage or claim submission process, the provider can call the toll free number on the back of the HRA ID card.

**28. Do all pharmacies accept the HRA ID card?** Most pharmacies will process your claim when you present your HRA ID card. However, some pharmacies, such as Walgreens, CVS and mail order pharmacies, will not file a secondary claim. You can still fill your prescriptions at these pharmacies. However, you will need to pay your out-of-pocket expenses, get a receipt, and file a paper claim to obtain reimbursement. Keep in mind that many pharmacies will provide a report listing your prescriptions and co-pays.

**29. What if I receive an invoice from a provider for a claim that should have been reimbursed and paid to the provider?** Your first inquiry should be made to J & K Consultants, Inc. The toll-free number is 1-877-872-4232 and the email address is [CinciHRA@JandKcons.com](mailto:CinciHRA@JandKcons.com).

## **Section V – Premium Reimbursements**

**30. What if the premium for my alternate health care plan is higher than the premium for the CRS Health Care Plan?** The HRA plan will reimburse you for any increase in premium you or your spouse pay for the alternate plan. Therefore, if the cost for the alternate plan is higher than the cost for the CRS Health Care Plan (for the same level of coverage), you will be paid the difference between the plans. If the premium does not increase by adding dependents, then there is no eligible premium cost under the HRA. The maximum amount that will be reimbursed by the HRA for all eligible expenses for a calendar year is \$5,000 for single coverage and \$10,000 for family coverage.

**31. What if my spouse's employer charges a surcharge if I enroll in his/her plan?** Surcharges relating to spousal or dependent coverage will be reimbursed. Tobacco-use and smoker surcharges will not be reimbursed. Please note that employers use a variety of names, such as surcharge, penalty or incentive, for these additional charges. If you have questions about whether a surcharge will be reimbursed, please contact J & K Consultants. Contact information is provided above. The maximum amount that will be reimbursed by the HRA for all eligible expenses for a calendar year is \$5,000 for single coverage and \$10,000 for family coverage.

**32. What if there is a change to my spouse's premium?** Most employers revise their premiums annually. You must inform J & K Consultants, Inc. of premium changes as soon as possible, but not later than 90 days after an increase or decrease in premium contributions, so that your reimbursement can be appropriately adjusted. This information can be faxed to 877-599-3724 or emailed to [CinciHRA@JandKcons.com](mailto:CinciHRA@JandKcons.com).